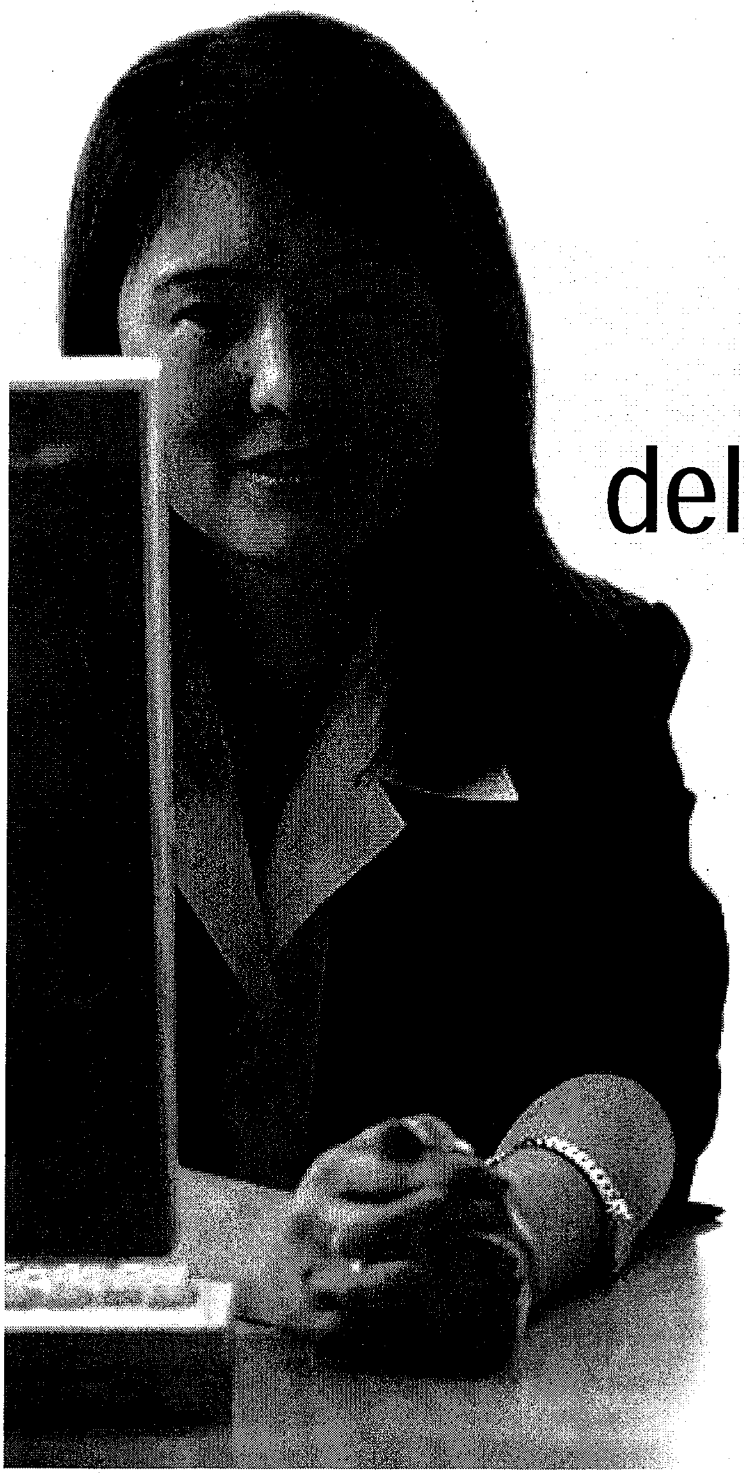
EXHIBIT U

ANNUAL REPORT 2003



delivering results:

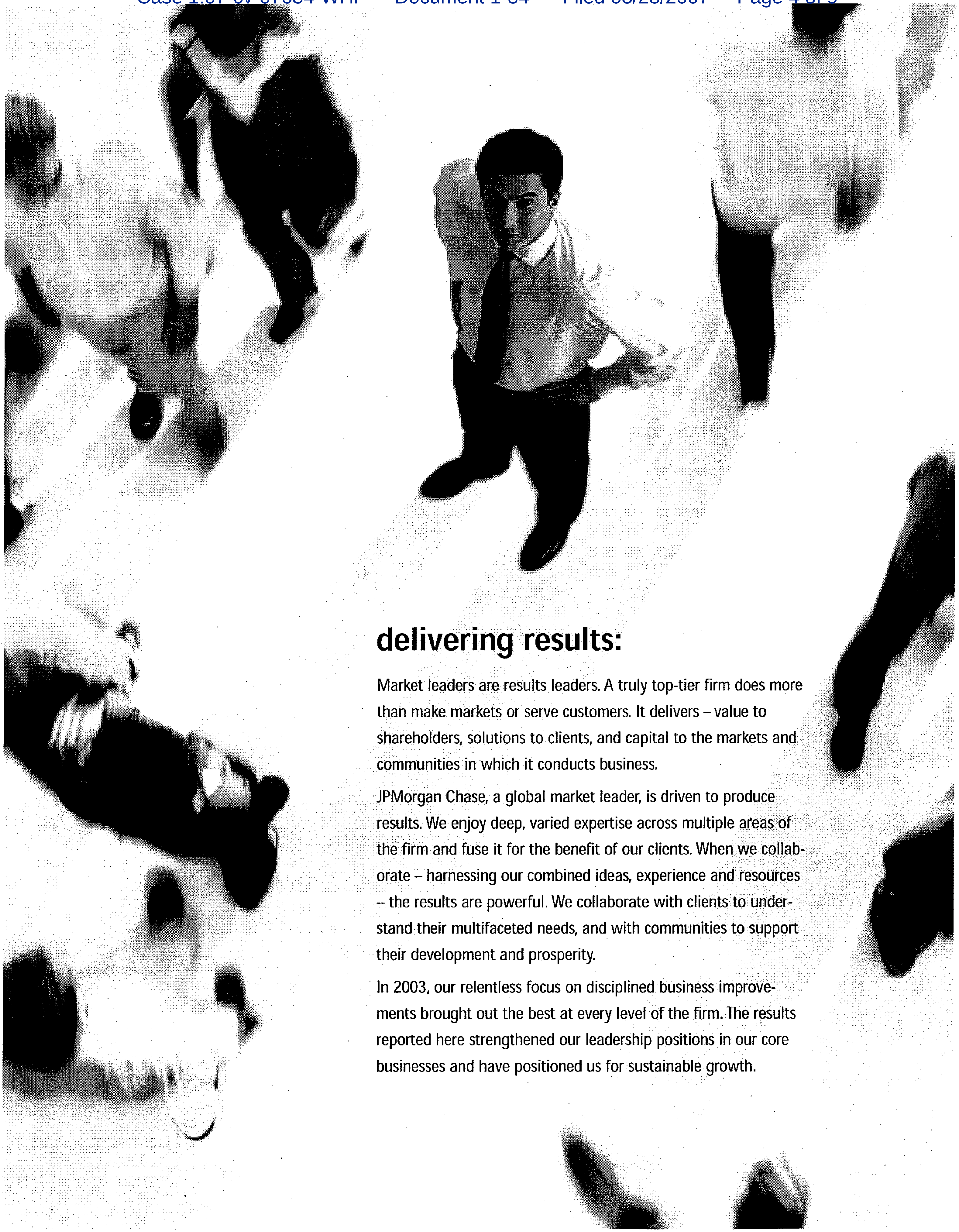
JPMorganChase

Financial highlights

As of or for the year ended December 31, (in millions, except per share and ratio data)	2003	2002	2001
Reported basis			
Revenue	$ 33,256	$ 29,614	$ 29,344
Noninterest expense (excluding merger and restructuring costs)	21,688	21,554	21,073
Merger and restructuring costs	—	1,210	2,523
Provision for credit losses	1,540	4,331	3,182
Net income	6,719	1,663	1,694
Net income per share:			
Basic	3.32	0.81	0.83
Diluted	3.24	0.80	0.80
Cash dividends declared per share	1.36	1.36	1.36
Total assets	770,912	758,800	693,575
Total stockholders' equity	46,154	42,306	41,099
Tier 1 capital ratio	8.5%	8.2%	8.3%
Total capital ratio	11.8	12.0	11.9
Tier 1 leverage ratio	5.6	5.1	5.2
Operating basis[(a)]			
Revenue	$ 35,126	$ 31,053	$ 30,392
Earnings	6,719	3,384	3,802
Shareholder value added	1,509	(1,631)	(1,247)
Return on average common equity	16%	8%	9%
Overhead ratio	62	65	67

(a) Includes credit card receivables that have been securitized. Amounts shown prior to 2003 exclude merger and restructuring costs, and special items. For a further discussion, see Basis of presentation on page 27 of this Annual Report.

ON THE COVER: Eileen Liu is just one of the more than 93,000 JPMorgan Chase skilled professionals, based in more than 50 countries around the world, who helped the firm deliver results in 2003. Employee team photos appear throughout the Annual Report to help illustrate some of the year's significant accomplishments.

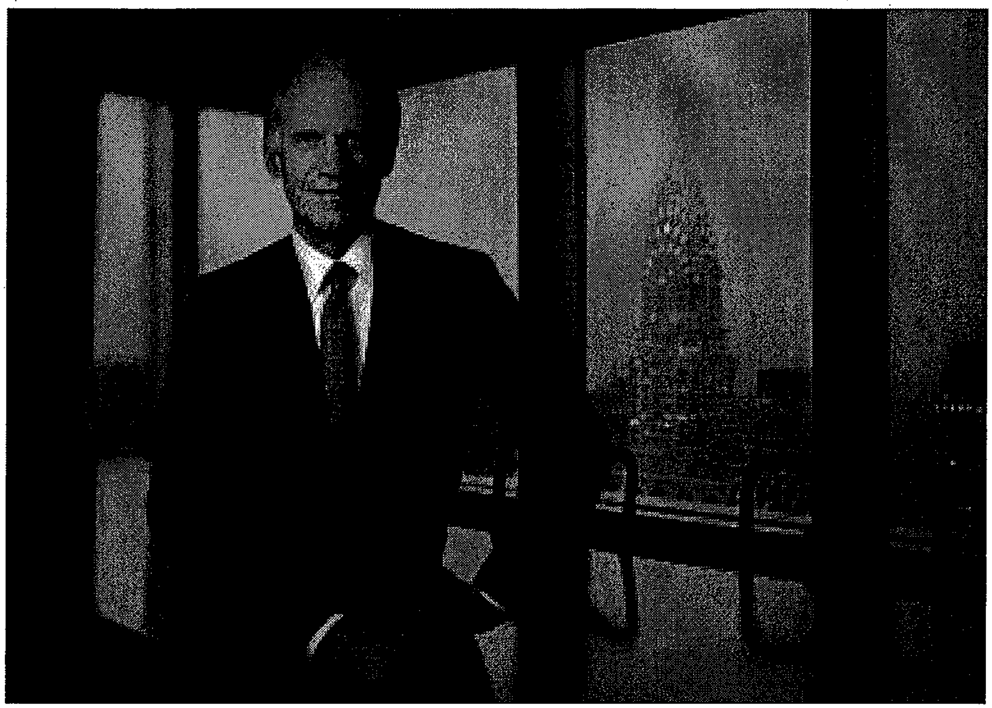


delivering results:

Market leaders are results leaders. A truly top-tier firm does more than make markets or serve customers. It delivers – value to shareholders, solutions to clients, and capital to the markets and communities in which it conducts business.

JPMorgan Chase, a global market leader, is driven to produce results. We enjoy deep, varied expertise across multiple areas of the firm and fuse it for the benefit of our clients. When we collaborate – harnessing our combined ideas, experience and resources – the results are powerful. We collaborate with clients to understand their multifaceted needs, and with communities to support their development and prosperity.

In 2003, our relentless focus on disciplined business improvements brought out the best at every level of the firm. The results reported here strengthened our leadership positions in our core businesses and have positioned us for sustainable growth.



Dear fellow shareholders

The announced J.P. Morgan Chase & Co. merger with Bank One

On January 14, 2004, we announced our decision to merge with Bank One. We are excited about the merger, and although it does not affect our results for 2003, I wanted to begin my report to you with an overview of our new firm.

This merger will create a firm with leadership positions in both wholesale and retail, a more balanced earnings stream, greater scale and financial strength. From both a strategic and a people perspective, we believe the combination is complementary and compelling. We were pleased that the rating agencies reacted favorably after the announcement of the merger.

For 2003, the firms combined would have earned over $9 billion. The earnings, on a combined basis, would have been almost evenly split between wholesale businesses and retail. The merger will further strengthen our existing leadership positions in wholesale banking, providing even greater scale in terms of both clients and capital. In retail banking, we will be the second-largest U.S. credit card issuer and the second-largest U.S. bank based upon core deposits, with assets of over $1 trillion. From coast to coast, we will provide mortgages, auto loans and credit cards, and welcome customers into more than 2,300 bank branches in 17 states.

Our new firm will have a complete financial services platform, providing the full range of retail and wholesale products. We anticipate the merger will close by mid-year 2004, and you can expect more information in the near future regarding our shareholder meeting. The bottom line is that we believe the new J.P. Morgan Chase & Co. will create tremendous shareholder value in 2004 and beyond.

Against the backdrop of an improving economy and a favorable turn in the credit cycle, JPMorgan Chase outperformed its peers by most measures. Among major investment and commercial banks, we ranked first in total return to shareholders.

2003 year in review

In 2003, our focus was on delivering results. As I said in the closing words of my 2002 letter to shareholders, "We have the right model, the right strategy, and the right people . . . What we need now is better performance and improved execution. That will be the unrelenting focus of JPMorgan Chase in 2003."

Our focus on results was evident in our much improved financial performance.

On an operating basis in 2003, we delivered:

- Higher revenues – up 13% from 2002, to $35.1 billion
- Higher earnings – $6.7 billion, compared with $3.4 billion in 2002
- A return on average common equity of 16%, compared with 8% in 2002

Against the backdrop of an improving economy and a favorable turn in the credit cycle, JPMorgan Chase outperformed its peers by most measures. Among major investment and commercial banks, we ranked first in total return to shareholders. We strengthened our leadership positions in key product areas across all of our businesses. We delivered greater value, in more ways, to a growing number of clients.

Throughout 2003, JPMorgan Chase also recognized the need to rebuild trust in financial institutions, including our own. We revised and enhanced our internal risk management processes and policies, providing better oversight of complex financial transactions and greater transparency in our financial disclosures. We have also embraced new regulations in the U.S. from Congress, the Securities and Exchange Commission and the New York Stock Exchange strengthening governance.

I want to take this opportunity to thank Larry Fuller, who has retired from the Board of Directors, for his contributions to our firm since 1985. We have benefited greatly from the wisdom and experience of our board members, and we wish Larry well.

Here is a look at how our major businesses performed in 2003.

The **Investment Bank** demonstrated the value of its global scale, diverse issuer and investor client franchise, and integrated business model to deliver a record $3.7 billion in earnings. We achieved significant gains in revenues (up 16%) and substantial reductions in credit costs, resulting in a gain in earnings of 183% and a return on equity (ROE) of 19% for the year.

The Investment Bank's impressive showing was driven by strong equity underwriting, increased capital markets revenues, and record total return revenues in Global Treasury.

Our success in 2003 was also based upon our intellectual capital, innovation and expertise in risk management. It is our ability to understand our clients' needs and then execute extraordinarily well that helps us win in the marketplace. A very good example of our client focus is our creation of the first-ever transferable employee stock option program for Microsoft.

In terms of the outlook for the Investment Bank, we are well positioned for the next phase of the economic cycle. From 2002 to 2003, we moved from #8 to #4 in Global Equity and Equity-Related, and we maintained our #5 position in Global Announced M&A while increasing our market share. We also continued to rank #1 in Interest Rate and Credit Derivatives as well as in Global Loan Syndications. Even with the anticipated shift in market activity, we believe our fixed income businesses will continue to flourish. More than half of our revenues are from investor clients who regularly need to adjust their portfolios. This activity creates a solid foundation for ongoing business and continued growth.

We are a truly global investment bank, delivering the breadth of the firm's capabilities – tailored to the needs of clients in local markets. We continue to perform well in the Europe, Middle East and Africa (EMEA) region, where the Investment Bank generated approximately $1.3 billion in after-tax earnings. We are the only firm in the EMEA region to finish 2003 ranked #5 or better across the equity, M&A, loan and bond markets. We want to be the most global of the European investment banks, and the most European of the global investment banks. We enjoy strong leadership positions in Latin America, and our franchise in Asia presents significant growth opportunities for us.

With the completeness and scale of our capabilities, a commitment to innovation, and a client franchise that includes strong relationships with over 90% of Fortune 500 companies and equivalent global penetration, the Investment Bank is well positioned to compete at the highest level around the world.

Treasury & Securities Services (TSS), which provides financial transaction processing and information services to wholesale clients, delivered attractive returns in 2003, generating an ROE of 19%. Though affected by the downturn in capital markets and low interest rates, TSS has provided a stable source of revenue year after year, taking full advantage of its global scale, technological sophistication and market leadership. Each of the three TSS businesses – Treasury Services, Investor Services and Institutional Trust Services – is among the top three in the world.

I believe that a high-performance culture is the critical differentiator that separates the great enterprises from those that are merely good, and that separates enduring success from transitory achievement.

We remain committed to extending those leadership positions. Two recent acquisitions – an electronic payments subsidiary of Citigroup and Bank One's corporate trust business – are expected to enhance considerably TSS's revenue growth rate in 2004. (It is important to note that Bank One sold its trust business because it lacked the scale and global scope that JPMorgan Chase has in this business.) TSS will continue to drive for greater scale, productivity gains and higher service quality levels to maintain its market leadership.

Investment Management & Private Banking (IMPB) showed strong momentum in 2003, generating earnings of $268 million. Pre-tax margins improved significantly throughout the year and assets under supervision increased 18% to $758 billion. During the year, IMPB made substantial progress in its execution on three key goals. Investment performance improved, particularly in key U.S. institutional equity and fixed income products. The Private Bank successfully executed its growth strategy as client assets and product usage increased year over year. Additionally, credit costs were lowered by nearly 60% compared to 2002. And lastly, IMPB advanced its U.S. retail strategy by acquiring full ownership of J.P. Morgan | American Century Retirement Plan Services with $41 billion in 401(k) plan assets. Aligning Retirement Plan Services and BrownCo, our online brokerage service, to build an IRA roll-over capability positions IMPB well to benefit from the growing individual retirement market.

JPMorgan Partners (JPMP), our private equity business, has invested in a wide range of companies in diverse sectors, stages and locations. JPMP's primary investment vehicle is its $6.5 billion Global Fund, which invests on behalf of the firm and third-party investors. JPMP's financial performance improved substantially over the year. In 2004 and beyond, JPMP should benefit from a continued recovery in equity financing and M&A activities.

Chase Financial Services (CFS), our retail and middle market businesses, improved upon their very strong 2002 results with record revenues and earnings in 2003, producing an ROE of 28%.

As the result of its focus on national consumer credit businesses, CFS has established a unique franchise that has enabled it to deliver strong results. It is a market leader in all three major national consumer credit businesses – the only top-five performer across mortgage origination and servicing, credit cards and auto finance.

Chase Home Finance had a record year in 2003, coming off excellent results in 2002. On all fronts, Home Finance took advantage of the mortgage boom, resulting in an increase in revenues of 38% over 2002. The quality of execution was key to its success, as the business managed record volumes while maintaining high customer service standards. Chase Cardmember Services grew outstandings despite balance paydowns due to consumer liquidity resulting from the mortgage refinancing boom. Chase Auto Finance also had a record number of originations and increased its market share.

In addition to our national consumer credit businesses, our other CFS businesses – Chase Regional Banking and Chase Middle Market – have shown significant growth in deposits, up 8% and 17% respectively, despite the low interest rate environment, which compressed spreads, reducing revenue for the year.

In the still fragmented retail banking industry, CFS's businesses focused on competitive differentiators, such as productivity and marketing enhancements. We have seen gains from disciplined expense management and from greater efficiency. CFS has also boosted the quality of its marketing efforts, resulting in progress in cross-selling products and services. We invested in businesses such as home equity, where we achieved significant increases in outstandings. Personal Financial Services, our branch-based business offering banking and investing services to upper-tier retail customers, continues to gain momentum, having increased new investment fee-based sales by 63% and bringing assets under management to a total of $10.7 billion.

In 2004, CFS expects to operate at lower but still robust ROE levels, caused by our expectation that the mortgage business will return to more normal conditions. CFS will focus on stable credit quality, productivity gains, innovative marketing and cross-selling initiatives, and continued investment in growth opportunities to improve its competitive position.

Disciplined risk management

The improvement in our performance was enhanced by better execution in risk management.

In the two years following the merger that created JPMorgan Chase (that is, in 2001 and 2002), our performance suffered from three main challenges, none of them principally related to the merger: excessive capital committed to private equity; over-concentration of loans to telecommunications companies; and large exposure to Enron.

We dealt decisively with each issue in 2003. We reduced our exposure to private equity to 15% of the firm's common stockholders' equity at the end of 2003 (down from a peak of 29% in 2000). We moved to put Enron behind us through the settlement that our firm and others reached in 2003 with the Securities and Exchange Commission and other regulatory and governmental entities. We reduced commercial credit exposure and drove substantial reductions in single-name and industry concentrations.

We are beginning to recognize the power and potential of our great strategic platform. Clearly, our clients and customers like the value we add in both our wholesale and retail businesses.

Commercial criticized exposure (rated CCC+/Caa1 and lower) and non-performing loans were both down over 45% from the beginning of the year. Our provision for commercial credit losses was down by $2.8 billion. The risk profile of the firm has improved, and our bottom line results are much better.

Building a great culture

I believe that a high-performance culture is the critical differentiator that separates the great enterprises from those that are merely good, and that separates enduring success from transitory achievement.

Business units continued to emphasize increased productivity and improved quality. In 2003, our productivity and quality efforts yielded more than $1 billion pre-tax in net financial benefits, more than doubling those achieved in 2002. Over one-half of these benefits came from re-engineering key business processes using the disciplined methodology of Six Sigma. We used Six Sigma in several key areas, including enhancing our customers' experience and removing costs from our larger and more complex operations.

The challenge has been the blending of key attributes of the cultures of our predecessor firms into a new model. We are focused on developing a culture based on integrity, respect, excellence and innovation, where diversity and differences are recognized and valued, and leadership development and managing talent are hallmarks of our firm. Our work on establishing a high-performance culture will continue as we complete the merger with Bank One.

The firm's efforts to build a strong culture have also focused on encouraging a spirit of giving back to the communities where we live and do business. We are proud that the firm has maintained a consistent "outstanding" Community Reinvestment Act (CRA) rating, and we are committed to partnering with our communities around the world to make a positive difference. Our employees have developed a great spirit of giving back, not just in monetary terms, but also through volunteering their time and talents to their communities.

2004: Still about strategy and delivering results

We are beginning to recognize the power and potential of our great strategic platform. Clearly, our clients and customers like the value we add in both our wholesale and retail businesses.

In wholesale banking, our capabilities reach across all important product sets, clients and locations – from the Americas to Europe, Asia, the Middle East and Africa. We have the competitive advantage of scale and completeness, and we remain focused on integrated delivery to serve our clients well. There is ample room for organic growth and development in providing premier global wholesale financial services. In other areas, such as Institutional Trust Services, we may choose to augment our skills through tactical acquisitions. For the most part, however, our wholesale banking business will grow through better execution in delivering the whole firm to a highly sophisticated and global client base at multiple points of need.

The retail banking landscape presents a different picture. It is large and still relatively fragmented, even after a decade of consolidation. Almost certainly, consolidation will continue and gather pace in years to come. With Bank One, we will significantly extend our retail financial services platform and be better positioned to take advantage of the enormous opportunities before us.

The strategic model we have adopted, with extensive leadership positions in both wholesale and retail financial services, provides great balance to our growth, returns and diversification.

Confidence in the future

With the strategic platform we created three years ago, the merger with Bank One, and the progress we have made toward building a high-performance culture, we have to prove that we can consistently produce superior results, and that we are disciplined in how we use our capital. We also have to demonstrate a seamless integration with Bank One so that we add value from day one.

I have every confidence that we can accomplish these goals.

In 2004 as in 2003, the unrelenting focus of our firm will be on results and performance.

William B. Harrison, Jr.
Chairman and Chief Executive Officer
March 15, 2004

Balance of JP Morgan Chase 2003 Annual Report
Intentionally Omitted